

# Congress of the United States

Washington, DC 20510

September 17, 2014

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The Honorable Tom Wheeler  
Chairman  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, D.C. 20554

Dear Chairman Wheeler:

We write to ask you to consider proposals for implementing Phase II of the Connect America Fund ("CAF II") in a manner that extends high speed Internet access to as many unserved and underserved households as possible within currently available annual funding levels.

As you have noted, broadband is an engine of the 21st century economy, and the Federal Communications Commission has a role in ensuring that the opportunities broadband offers reach as far and wide as possible, regardless of where one lives. Those opportunities include ways to encourage economic growth, distance learning, and telemedicine for those living in rural areas of New Mexico and across the nation.

Yet according to the Commission's 2012 Broadband Progress Report, nearly half the New Mexicans living in rural areas lack fixed broadband access. The US Census Bureau notes that about one third of New Mexican households do not have Internet access at home. The most recent National Broadband Map indicates that nearly one fifth of New Mexico residents still lack access to Internet speeds of 10 Mbps or higher. National Broadband Map data further show that New Mexico ranks 47th nationally in broadband speed availability. This highlights how important universal service fund (USF) modernization is for many New Mexicans living on the wrong side of the digital divide.

CAF II thus offers an opportunity to extend broadband to unserved rural households and upgrade service for many living in underserved areas where connection speeds lag behind the national average of 10 Mbps typically available in urban areas. We ask that you consider proposals from broadband providers to extend the life of CAF II and permit some flexibility to ensure service can be extended to as many eligible rural locations as possible.

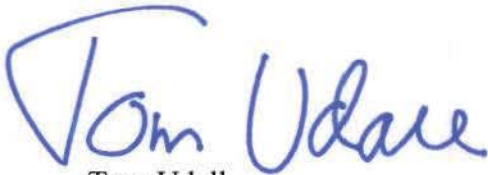
The Commission must also ensure that eligible unserved households are not improperly excluded from CAF II funding. The Commission should recognize that its current broadband mapping data may overstate service availability in New Mexico. For example, we are aware of complaints that some areas currently identified as having fixed broadband coverage may not actually have such service. Households in such areas should not be excluded from CAF II

funding without some means of verifying broadband availability. Moreover, broadband providers in New Mexico could potentially reach more locations if CAF II rules allowed shifting a portion of support to unserved households in partially-served census block areas.

We therefore ask for you to consider CAF II-related proposals from broadband providers that are consistent with Section 254 of the Communications Act, which sets the goal of the Commission's universal service policy as ensuring that consumers in all regions of the country have access to telecommunications and information services that are reasonably comparable to those services provided in urban areas.

Thank you for your consideration within your rules and guidelines. We look forward to continuing to work with you on this important matter.

Sincerely,



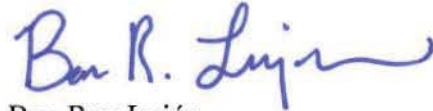
Tom Udall  
United States Senator



Martin Heinrich  
United States Senator



Stevan Pearce  
United States Representative



Ben Ray Luján  
United States Representative



Michelle Lujan Grisham  
United States Representative





OFFICE OF  
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

October 24, 2014

The Honorable Tom Udall  
United States Senate  
110 Hart Senate Office Building  
Washington, D.C. 20510

Dear Senator Udall:

Thank you for your letter requesting that the Commission consider proposals from broadband providers to permit some flexibility in the implementation of Phase II of the Connect America Fund (CAF II). Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

The universal service program is one of the most important tools at our disposal to ensure that consumers and businesses in rural America have the same opportunities as their urban and suburban counterparts to be active participants in the United States of the 21<sup>st</sup> century. We are focused on updating the universal service high-cost program to ensure that we are delivering the best possible voice and broadband experiences to rural areas of states such as New Mexico, within the confines of our Connect America budget, all while providing increased certainty and predictability for all carriers, and a climate for increased broadband expansion.

In April of this year, the Commission adopted a *Connect America Fund Phase II Report and Order* to move forward with Phase II of the Connect America Fund for price-cap carriers. In addition, in an associated *Further Notice of Proposed Rulemaking (FNPRM)*, the Commission sought comment on a number of the issues you raise, including revising the current broadband performance obligations to require minimum speeds of 10 Mbps downstream and applying the same performance obligations to all recipients of Phase II support and rate-of-return carriers. The *FNPRM* also seeks comment on proposals to allow CAF II recipients more flexibility in meeting their performance obligations, including whether to extend the term of support for CAF II recipients, and permit recipients to substitute locations in partially served census blocks for locations in the unserved census block for which they receive support. We have received a robust record on these issues, and they are under consideration by Commission staff.

You have also expressed your concern that the Commission ensure that eligible households not be excluded from CAF II funding. We take this concern very seriously. We are currently finalizing the list of census blocks that are eligible for support. To ensure that this list is as accurate as possible, we have a challenge process in place where parties can identify alleged problems with the broadband map. As part of that process, the Commission has received a total of 178,335 challenges from parties on the served/unserved status of census blocks. Commission staff is currently reviewing these challenges and seeking public comment on the challenges. We

Page 2—The Honorable Tom Udall

intend to make sure that a fair challenge process is conducted so that all eligible unserved areas qualify for funding.

I welcome a dialogue with stakeholders as to how best to accomplish our shared objectives. I look forward to working with you as we continue reforming and modernizing the Universal Service Fund high-cost program – as well as other components of the Universal Service Fund – to ensure that all Americans have access to robust voice and broadband services.

Please let me know if I can be of any further assistance.

Sincerely,

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Tom Wheeler



OFFICE OF  
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

October 24, 2014

The Honorable Martin Heinrich  
United States Senate  
702 Hart Senate Office Building  
Washington, D.C. 20510

Dear Senator Heinrich:

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The universal service program is one of the most important tools at our disposal to ensure that consumers and businesses in rural America have the same opportunities as their urban and suburban counterparts to be active participants in the United States of the 21<sup>st</sup> century. We are focused on updating the universal service high-cost program to ensure that we are delivering the best possible voice and broadband experiences to rural areas of states such as New Mexico, within the confines of our Connect America budget, all while providing increased certainty and predictability for all carriers, and a climate for increased broadband expansion.

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OFFICE OF  
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

October 24, 2014

The Honorable Michelle Lujan Grisham  
U.S. House of Representatives  
214 Cannon House Office Building  
Washington, D.C. 20515

Dear Representative Lujan Grisham:

Thank you for your letter requesting that the Commission consider proposals from broadband providers to permit some flexibility in the implementation of Phase II of the Connect America Fund (CAF II). Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

The universal service program is one of the most important tools at our disposal to ensure that consumers and businesses in rural America have the same opportunities as their urban and suburban counterparts to be active participants in the United States of the 21<sup>st</sup> century. We are focused on updating the universal service high-cost program to ensure that we are delivering the best possible voice and broadband experiences to rural areas of states such as New Mexico, within the confines of our Connect America budget, all while providing increased certainty and predictability for all carriers, and a climate for increased broadband expansion.

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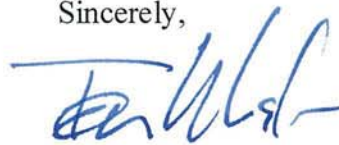
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FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

October 24, 2014

The Honorable Ben Ray Luján  
U.S. House of Representatives  
2446 Rayburn House Office Building  
Washington, D.C. 20515

Dear Representative Luján:

Thank you for your letter requesting that the Commission consider proposals from broadband providers to permit some flexibility in the implementation of Phase II of the Connect America Fund (CAF II). Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

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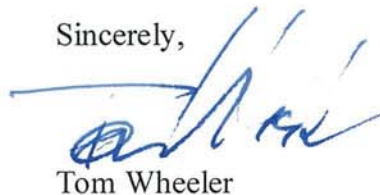
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OFFICE OF  
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

October 24, 2014

The Honorable Steve Pearce  
U.S. House of Representatives  
2432 Rayburn House Office Building  
Washington, D.C. 20515

Dear Representative Pearce:

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